measures which include, *inter-alia,* prohibition of keeping deposits with other urban co-operative banks; restricting borrowings from call money market to 2% of its deposits at the end of the previous financial year; increasing the component of investment in Government securities for SLR purposes; prohibition for lending directly or indirectly against security of shares either to individuals or any other entity; introduction of off-site surveillance system for scheduled urban co-operative banks, etc.

Loss of Revenue Due to Smuggling of Cigarettes

†265. SHRI RAMA SHANKER KAUSHIK: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that revenue worth thousands of crores of rupees is duped by cigarette smugglers every year;

(b) if so, the details of the revenue and since when smuggling is going on;

(c) what are the details of the total loss incurred so far during the last three years;

(d) whether Government have taken any effective steps to check this unscrupulous practice and enquire into the other aspects alongwith the involvement of concerned departments in smuggling;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) No Sir.

(b) and (c) Smuggling being a clandestine activity, the quantum of smuggling and consequent revenue loss can not be quantified with any certainty. The intelligence available and seizures of smuggled cigarettes suggest that some smuggling has been taking place.

(d) to (f) Field formations under the Customs Department

† Original notice of the question was received in Hindi.

including Directorate of Revenue Intelligence (DRI) have been alerted to intensify preventive measures to check smuggling of cigarettes as well as other contraband goods into the country. The Customs Department through Directorate of Revenue Intelligence had, recently on 29-5-2001, organised an all-India operation directed against the suspected persons engaged in the storage/sale of smuggled cigarettes, which resulted in seizure of smuggled cigarettes having an estimated value of Rs. 14.62 lakhs (approx.). It is proposed to continue such preventive measures.

Bogus Pay order of Madhavpura Bank

266. SHRI BRAHMAKUMAR BHATT: Will the Minister of FINANCE be pleased to state:

(a) the details of bogus pay order issued by Madhavpura Mercantile Co-operative Bank, Mumbai Branch for Rs. 130 crore on Bank of India;

(b) how much bogus pay order was cleared by bank of India; and

(c) the action being taken by Government to recover the loss of the above stated Nationalised bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) Reserve Bank of India (RBI) and Bank of India (BOI) have reported that the pay orders issued by Madhavpura Mercantile Co-operative Bank Ltd. (MMCBL) and purchased by BOI were not bogus. Pay orders are issued by banks only for value received and are used as instruments